

# Energize Your Retailers: The case for a best practices approach to mobilize retail sales

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By 2008, Brad Alwood had sold Delaware Lottery products for 16 years. He'd been around the block a time or two and had heard all the pundit pitches—or so he thought—on ways to build foot-traffic and drive incremental lottery profits at his off-the-beaten-path c-store in Lewes, Delaware.

None of them worked as advertised. And so when he signed up for a seminar to hear Scientific Games outline its best-practices formula for increasing lottery sales and profits, the co-owner of the Daily Market and veteran Delaware Lottery retailer was understandably skeptical.

*"When they came in and told me what I needed to do, I was very resistant to any type of change that I'd have to make," Alwood candidly admits. "When they swept-in in their groups, it was overwhelming ... and I found myself putting up walls and saying, 'This is my store and I'm going to do what I want to do.' And so I was a little negative and a little resentful at first. But I did it."*

## No. 1 Goal: Make More Money

Alwood, with the backing of his longtime business partner Tim Wallace, decided to give it a try—cherry picking and eventually implementing the best practices he believed would give him the best chance of accomplishing his goal.

And that goal?

*"I wanted to sell more tickets and make more money," he says, without hesitation.*

In Alwood's words, "pretty much immediately" he started seeing more foot-traffic, more lottery sales, and more winners.

*"And when I started posting the winners," he says, "that just built more excitement and lottery became a much more fun product to sell, rather than just thinking that all I was making was my five cents on the dollar. It became a real tangible product."*

In rapid-fire order, the negative feelings and tinge of resentment he felt during the seminar subsided. His lottery commissions went up. His walls of resistance came down.

## Doubling His Money

Since implementing Scientific Games' best-practices formula, Daily Market lottery sales have doubled—from about \$10,000 a week to around \$20,000 a week. Alwood credits both Scientific Games' best practices as well as a strong portfolio of instant scratch-off games for the increase.

The Delaware Lottery regularly runs a bonus program in which its retailers can earn an extra one percent for growing lottery sales over a six-month period versus the prior-year period.

*"In the four bonus cycles since rolling out Scientific Games' best practices, I've made bonus every time," he says. "If I looked at the last two years, going through the recession and all, lottery is the only category that has seen any type of consistent, sustained growth. Deli, gas, newspapers, groceries ... everything is flat or has decreased. Nothing has*

*grown. And yet I've grown twice as much with lottery. It's now very easy for me to put more time and effort into lottery because that's where I see sustained growth, large commissions and the future of me staying in business."*

## Setting His Sights High

Even before implementing Scientific Games' best practices, lottery products had sold well at the Daily Market. For years, and until 2008, the store consistently ranked between 30th and 40th in the state based on total lottery sales. Today, it ranks among the Top 10.

Due to his store's location, Alwood is realistic about his chances of ever becoming the top-selling lottery retailer in the state, but that doesn't keep him from setting his sights high.

*"I'm never going to be a \$10 million agent or anything like that," he concedes, "but I'm hopefully going to join the million-dollar club this year, where, I think, in Delaware, there haven't even been ten agents who have ever achieved a million dollars in sales in a year. And if you knew where my store was—on Delaware Bay...at the end of the road...off of the main highway ... you wouldn't see how I could do that. I'm continually amazed."*

## Can't Do it Alone

Success in the lottery industry very often can be traced to how well a lottery, its suppliers and its retailer network work together in partnership. Alwood knows this firsthand and says he has a good relationship with the Lottery as well as the staff.

*"You can't really do this by yourself," he says. "You need support. You need the advertising. You need the second-chance drawing products. You need the voided tickets. So whether it's SciGames, or whether it's your state lottery rep, you have to have a partnership. They can't do it themselves; they need you. And you can't do it by yourself; you need them."*

## Keep An Open Mind. Be Creative.

Knowing what he knows now, what would Alwood say to other lottery retailers considering Scientific Games' best-practices program, or, as in his case, might be dubious of its merits?

*"I'd say give it a shot. I'd say be creative and think beyond what's being presented. Keep an open mind about it and see what happens. You're not going to see the results in one week or two weeks. You have to do it over a period of time. I mean, I made more money on the lottery last year than I've ever made in 18 years."*

*"I didn't think there was ever enough money made on the product for me to be spending my own money. And as I've seen the sales grow and the bonus program we work on...and the way I can continue to grow my commissions ... I can see by putting a little bit of my own money back into the lottery ... I can make more money." ♦*

Scientific Games is committed to working in partnership with its customers to support lottery retailers looking to increase foot-traffic and add incremental profits to their businesses through the adoption, implementation and proper execution of lottery industry best practices.



Instant Player